How to Accept SaaS Transactions

In many software development agreements, the customer has to accept the software before the contract is complete, Scott & Scott reports on its Software & Copyright Law Blog.

"If the product is not acceptable, the parties have a contractually described way to address issues before final payment is due," writes Scott & Scott IP lawyer Brian Kirkpatrick. "However, in software-as-a-service (SaaS) transactions, SaaS providers often argue that the SaaS is available upon execution of an agreement and software delivery and acceptance is not required."

He adds that, although physical delivery of software is not necessary for SaaS, delivery is still an important issue to address.

Read the article.